

CHESHIRE FIRE AUTHORITY

MEETING OF : CHESHIRE FIRE AUTHORITY
DATE : 14TH FEBRUARY 2017
REPORT OF : HEAD OF LEGAL AND DEMOCRATIC SERVICES
AUTHOR : ANDREW LEADBETTER

SUBJECT : MEMBERS' ALLOWANCES SCHEME

Purpose of Report

1. To provide Members with information about the review of the Members' Allowances Scheme (MAS) and present the draft MAS for approval (recommended by the Governance and Constitution Committee).

Recommended: That Members

[1] Approve the Members' Allowances Scheme for 2017-18 onwards.

Background

The Law

2. The provisions governing Members' allowances are contained in the Local Authorities (Members' Allowances) (England) Regulations 2003 [the Regulations]. The Regulations do not apply to the Fire Authority in full.
3. Part 2 of the Regulations prescribes the allowances that may be paid and rules relating to such allowances. Part 3 of the Regulations sets out the requirements for members' allowances schemes, e.g. the application of indexation for annual adjustments to schemes. Part 4 of the Regulations is concerned with the role of the independent remuneration panel [IRP]. Local authorities (e.g. district, county and London boroughs) must have regards to recommendations of an IRP before they make or amend their scheme. A fire authority has a different obligation: it must have regard to the recommendations made by the IRPs of local authorities that appoint its Members (i.e. the constituent authorities). By virtue of this distinction it is clear that the Fire Authority is not required to have its own IRP.

The 2013-14 Review

4. The Fire Authority's MAS was reviewed with the assistance of an IRP which was formed at the behest of the Fire Authority and reported in February 2013 and February 2014. The IRP was made up of a member from each of the constituent authorities' panels.
5. The process that was followed was quite involved and took a considerable amount of officer time. However, ultimately it did not lead

to any fundamental changes to the MAS. It was this that led officers to question the benefits of having an IRP when there is no requirement on the Fire Authority to have one.

Decisions by Governance and Constitution Committee

6. Governance and Constitution Committee considered the MAS in July 2015. The report culminated in Members deciding to delay a review until late 2016 (to take effect for municipal year 2017-18) and instruct officers to pursue alternatives to the engagement of an IRP (but with the proviso that an 'independent element' must be retained in any review of the MAS).
7. In October 2016 Governance and Constitution Committee considered a further report and agreed the following process for the review of the MAS:
 - a) Collate information from other authorities on allowances and increases over the past few years to provide a comparison;
 - b) Check the schemes operated by the constituent authorities and establish whether any elements should inform the review (to comply with the 'have regard to' requirement in the regulations);
 - c) Secure the support of one of the members of an IRP operated by a constituent authority;
 - d) Present the comparative data and any other relevant information to the IRP member for consideration; and
 - e) Prepare a report for the Committee following guidance from the IRP member.
8. Officers concluded the review of the MAS with the assistance of Mandy Ramsden, a member of Cheshire East's Independent Remuneration Panel [IRP member]. The IRP member's recommendations and observations were presented to Governance and Constitution Committee on 8th February 2017. The MAS that appears in Appendix 1 to this report reflects the decisions of Governance and Constitution Committee.

Information

9. The IRP member made the following recommendations:

Structure of Scheme

Recommendation: *That no changes be made to the structure of the Members' Allowances Scheme.*

Indexation

Recommendation: *That the index to be applied annually should continue to be aligned to the NJC pay award for Local Government employees (Green Book) and take effect on the date prescribed by the NJC.*

Travel Allowance

Recommendation: *That the HM Revenue and Customs approved tax-free mileage rate (currently 45p) be used for all claims.*

Dependants' Carers' Allowance

Recommendation: *That the dependants' carers' allowance be paid up to a maximum amount per annum in reimbursement of actual costs (subject to the production of receipts). An increase in the maximum to £3,000 is proposed.*

10. The IRP member also made some observations and the Governance and Constitution Committee acknowledged that these should be considered in due course. They do not impact upon the MAS at this time.
11. A draft MAS for 2017-18 onwards has been prepared taking into account the decisions of the Governance and Constitution Committee and is contained in Appendix 1 to this report.

Financial Implications

12. Annual increases based on an index like the NJC can be funded from the Authority's existing budget for Members' allowances.

Legal Implications

13. The Fire Authority is required to have a scheme to cover its Members' allowances. It is not bound to have an independent remuneration panel. However, it is required to have regard to any recommendations made by the panels of the constituent authorities. The review of the MAS complied with legal requirements.

Equality and Diversity Implications

14. There are no equality and diversity implications.

Environmental Implications

15. There are no environmental implications.

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